



Property Appraisal

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DeKalb County Appraisal Process

Georgia Law requires that all real estate and tangible personal property be appraised annually at its fair market value.

The DeKalb County Property Appraisal Department utilizes a computer assisted mass appraisal (CAMA) system to store data and calculate real estate, marine, aircraft and business personal property values for assessment purposes. The system is capable of processing market, cost and income data and producing appraised values from one or more of the three approaches.

Real Estate

It all starts with data. Using a "computer assisted mass appraisal" (CAMA) system, we store data about your property, such as:

- Zoning information
- Existing use of your property or limits to its use
- Existing covenants, conservation use easements, or any restrictions in your deed dedicating the property to a particular use
- Sales Data: deed date, sale price, type of sale, instrument type, etc. We also consider bank sales, other financial institution owned sales, or distressed sales which may have taken place in your area
- Building permit data: date issued, amount, type of work, and the date the certificate of occupancy was issued
- Mapping data, such as dimension changes, new subdivisions, etc.
- Building Characteristics: an appraiser has visited your property to measure and draw a sketch of your building, determining such features as square footage, fireplaces, heating and a/c, number of bathrooms, detached buildings, pools, etc., and to review your land characteristics
- And any other existing factors we deem pertinent in arriving at your fair market value

Everything in property tax hinges on the date January 1. Whatever the ownership, use, and condition of the property are on January 1 of each year is how it is appraised for that tax year. We are gathering all of the above data all year long. Any changes to any of this data which happen during the calendar

year will become effective January 1 of the next calendar year.

Example 1: Mary Smith owns a property, but sells it to Jane Doe on February 1, 2011. Mary Smith is the owner of record January 1, 2011, but Jane Doe will be the owner of record January 1, 2012.

Example 2: John Smith's house burns to the ground and is demolished on October, 2011. Effective January 1, 2012, his property will be appraised as land only. The reverse is also true: if the property was vacant on January 1, 2011 but a house is built later in the year, the property will be assessed for land and building effective January 1, 2012.

Please contact the Property Appraisal Department if you believe property characteristics for the subject property are incorrect.

Chief Appraiser: cchicks@dekalbcountyga.gov

Residential Chief: dlrosser@dekalbcountyga.gov

Commercial Chief: blhill@dekalbcountyga.gov

Residential Help Desk: 404 371 0841

Commercial Help Desk: 404 371 2485

Georgia law requires that we appraise your property at its fair market value. There are three approaches to value: Cost, Market (Sales Comparison), and Income. The approach selected will depend on resources available to gather and analyze data.

The cost **approach to value**, we compile all of the data we have collected on your property, and using our CAMA system, we calculate a replacement cost (new) for each major structure. We subtract any accrued depreciation, we add miscellaneous improvements (pools, detached out buildings, etc.), and we add your land value, to arrive at an appraised value. After we have updated all changes to our existing data, we conduct sales ratio studies. In this process we compare sale prices of recent sales to our values. Adjustments are made (up or down) to ensure value estimates are within acceptable value ranges as determined from market activity. The adjustments are made at the neighborhood level employing neighborhood modifiers. The cost approach is the primary approach used to value real property for ad valorem tax purposes in Georgia.

Strength – most of the data necessary to generate values can be obtained.

Weakness – calculating the level of depreciation is subjective, creating a margin for error.

The **market (sales comparison) approach to value** utilizes comparable parcels (recent sales of similar properties) to value subject parcels by adjusting for dissimilarities to arrive at (as close as possible) a mirror image of the subject parcel.

Strength – concept is easily understood. **Weakness** – there must be sufficient recent market activity of similar parcels; adjustments if not supported by paired sales analysis are subjective. Typically to employ the market approach in mass appraisal requires the use of multiple regression analysis to identify and adjust for value contributing variables.

The income **approach to value**, utilizes the income stream of an income producing property to develop an opinion of value. Typical income and expense data is analyzed to arrive at net income which is used in various techniques to develop an opinion of value.

Strength - market data is accessible for many types of income producing properties. Market participants typically place more credence on this approach. **Weakness** – the results are questionable if the use does not represent the highest and best use of the property. There must be active markets (rental and sales) for the subject parcel

After we have recorded all changes to existing data, completed our sales ratio studies, and reviewed all Real Estate Property Tax Returns received, the appraisal staff will present to the Board of Tax Assessors (BTA) our current year proposed values. Once the BTA approves the values we produce our Annual Assessment Notices and mail them to the property owners. This process usually takes place by late May of each year. When you receive your Annual Assessment Notice you will have 45 days from the Date Notice Mailed (on the Notice) to file an appeal.

Most CAMA systems do not have the sophistication to correlate a value from the three approaches. The appraiser will select the approach in which the most credence is placed due to the adequacy and appropriateness of the data. The subject parcel's value was developed employing the following approach to value:

___ Cost Approach

___ Market Approach

___Income Approach

Information specific to your parcel will be relative to the approach highlighted above.